

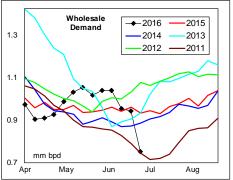
### WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

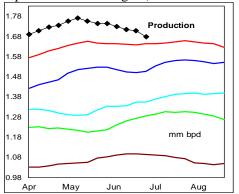
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

### Summary 1:

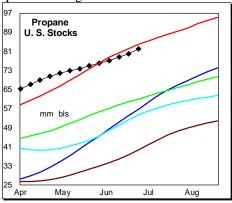
Wholesale demand for the last 4-wks averaged -49,000 bpd below a year ago.



Production increased +71,000 bpd during the last month compared to a year ago. The increase was concentrated in the Gulf and Midwest regions. Production decreased -62,000 bpd in the East Region (volumes shifted EIA reports to the Gulf region).



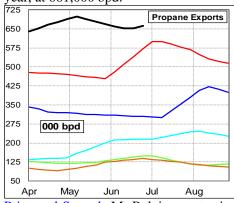
Stocks increased +2.5 million barrels on the week, a rate well above the 2<sup>nd</sup> quarter average.



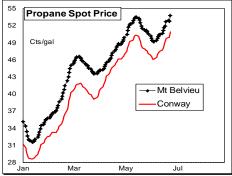
The cumulative seasonal stock build of +19.2 million barrels, was -11 million

barrels below last year. Stock levels ended the week -10 million barrels below a year ago.

Exports for the week ending 24Jun16 were +61,000 bpd above last year, at 661,000 bpd.



Price and Spreads Mt Belvieu spot price increased +1 cpg last week ending 29Jun16, while Conway prices were +2 cpg higher



The Conway – Mt Belvieu price spread was unchanged last week, ending at a level above the 3-yr mid range.

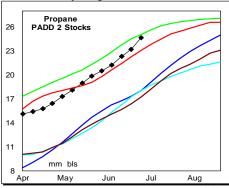
The propane to natural gas price spread extended a downtrend, driven by sharply higher gas prices, to trade a level near 5-yr lows.

The propane / crude oil price spread trended higher on the week, ending at a level above four of the last 5-yrs.

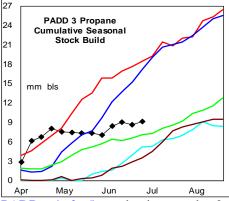
PADD 1 stocks increased +0.2 million barrels on the week, a level -22% below last year. Shipments to the Gulf region for export have led to stock draws during the last month. Supply was unchanged on the week.

PADD 2 supply decreased -81,000 bpd last week, on lower imports and production. Production for the latest 4-

wk period was +71,000 bpd above a year ago. Stocks increased +1.7 million barrels on the week, lifting stocks to a level near 5-yr highs.



PAD 3 stocks increased +0.5 million barrels on the week. Stock levels ended the week -1.8 million barrels below last year. Supply for the latest 4-wk period was +53,000 bpd above last year.



PADDs 4 & 5 stocks increased +0.1 million barrels last week, driven by near record imports. Stock levels ended the week -12% below last year, but above four of the last 5-vrs.

Emerging Trends Stock levels ended the week less than -2% below last year's record high for this time of year. The cumulative seasonal stock build is more than -10 million barrels below a year ago, driven by higher wholesale demand last month and growth in exports.

The growth in exports and uptrend in global energy prices continues to support an uptrend in wholesale propane prices. Slowing global economic growth risk a pull back in wholesale prices during the 3<sup>rd</sup> quarter.

Disclaimer - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and is intended for informational purposes and is not to be construed as a recommendation to sell or buy, or trade in any commodity mentioned herein. Information is obtained from sources believed reliable, but is in no way guaranteed. Opinions, market data and recommendations are subject to change at any time. Past results are not indicative of future results. Charts are developed by Fundamental Petroleum Trends from EIA, NWS, other public

<sup>&</sup>lt;sup>1</sup> Source is latest EIA Weekly Statistics

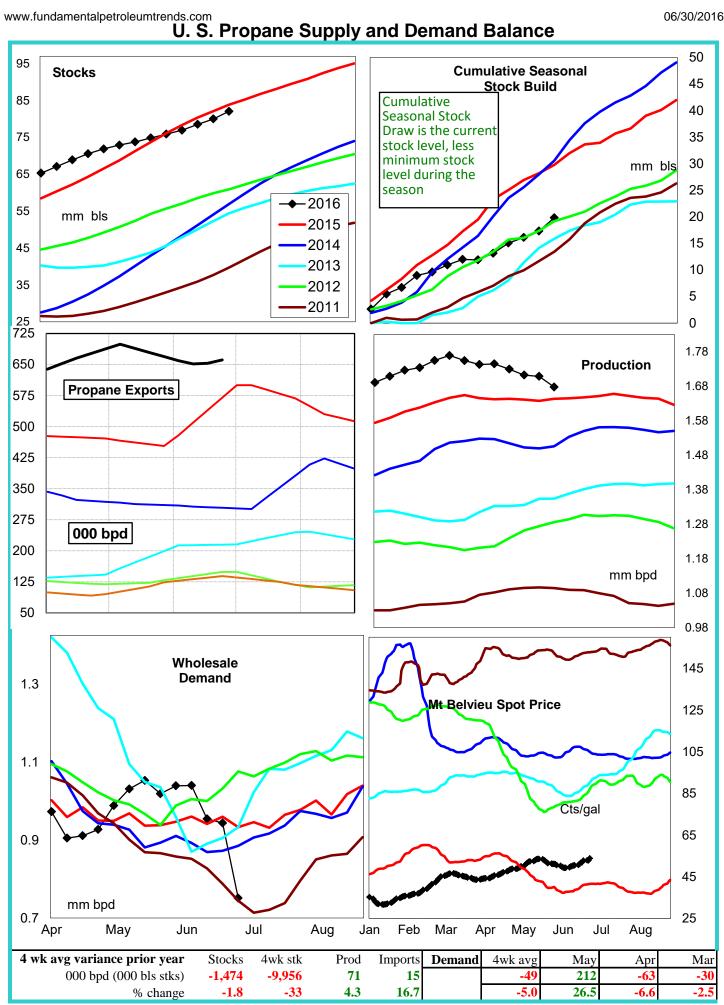
# **PROPANE: Graph Link and Weekly Summary**

June 30, 2016

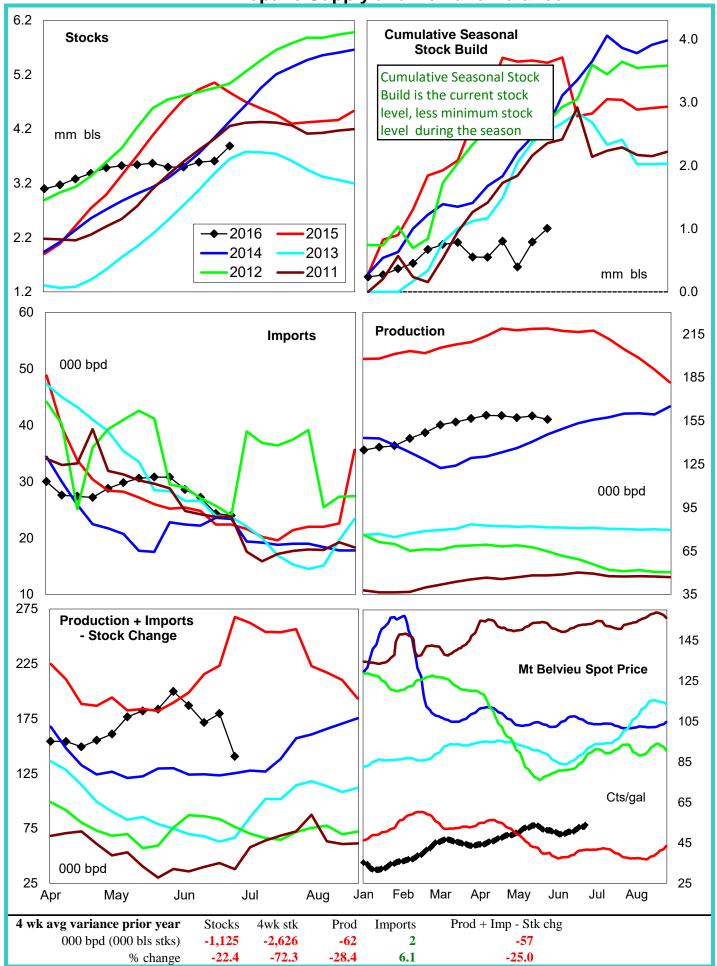
Fu	Friday, June 24, 2016									
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S.	PADD				U.S.	PADD			
	Total	1	2	3	4&5	Total	1	2	3	4&5
Stocks	82,073	3,887	24,655	50,884	2,647	2,512	216	1,667	497	132
Propylene Stocks	3,267					193				
Production	1,673	156	388	938	191	-27	-1	-18	0	-8
Imports	73	24	33	0	16	-60	1	-63	0	2
Whsle Demand	726					-285				

### **Price Trends for the Week Ending:** Wednesday, June 29, 2016 Average for week ending: **Change from:** % change from: Cents/gal 6/29/16 6/22/16 6/1/16 7/3/15 6/22/16 6/1/16 7/3/15 6/22/16 6/1/16 7/3/15 Mont Belvieu Spot 53.0 50.9 52.4 2.05 9.67 22.6 42.7 -1.50 4.0 -2.9 50.1 48.9 34.5 4.2 Conway Spot 48.0 2.03 -0.85 14.43 -1.7 41.9

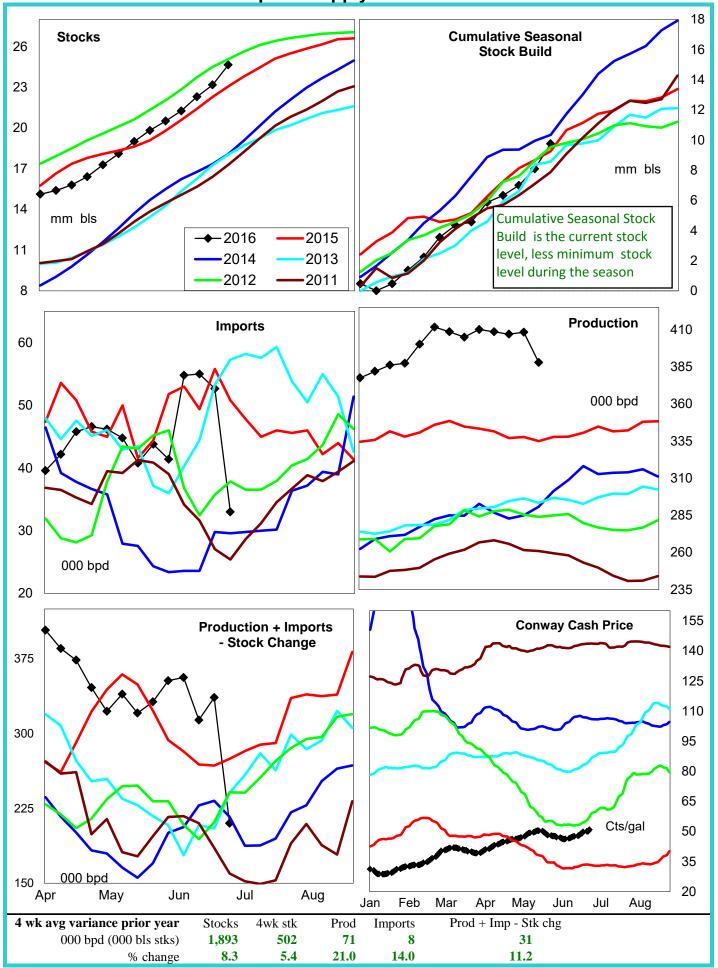
### **Key Price Spreads and Differentials** 5 167 Conway - Mt Belvieu Mt Belvieu Spot Price Spread 0 147 -5 Cts/gal 127 -10 107 -15 87 2015 -20 2014 67 2013 -25 2012 2011 47 -30 Cts/gal 2010 27 -35 Mt Belvieu Propane % of Mt Belvieu Propane % of 655 75 Nearby Natural Gas Futures **Nearby Crude Oil Futures** 580 65 505 Percent **Percent** 430 55 355 45 280 35 205 25 130 Feb Jun Mar May Jun Jul Jan Feb Mar Apr May Jul Aug



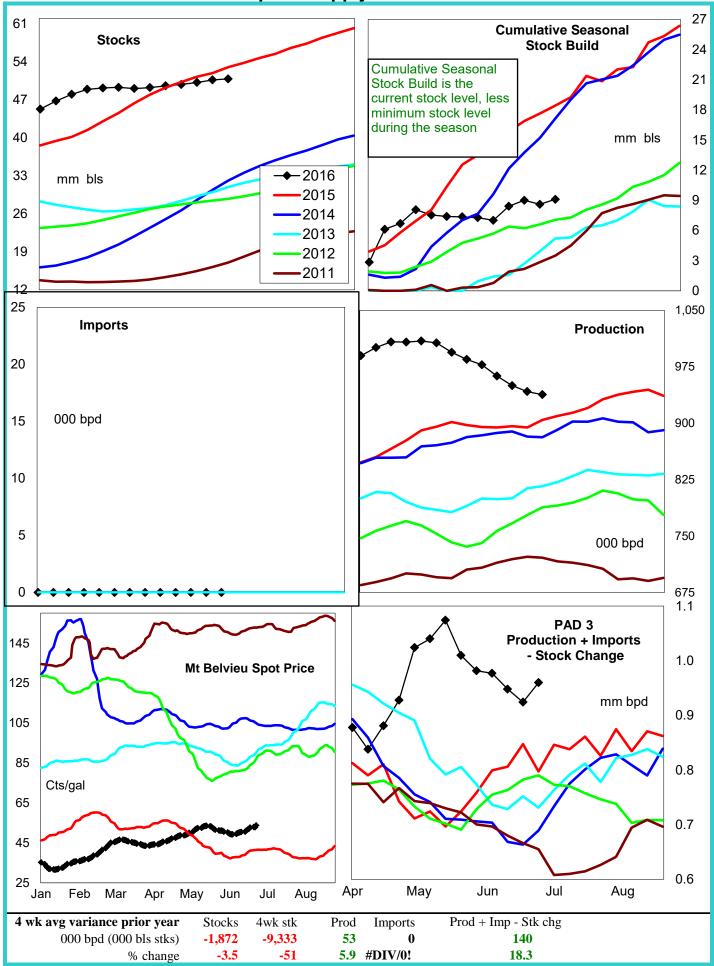
**PADD 1 Propane Supply and Demand Balance** 



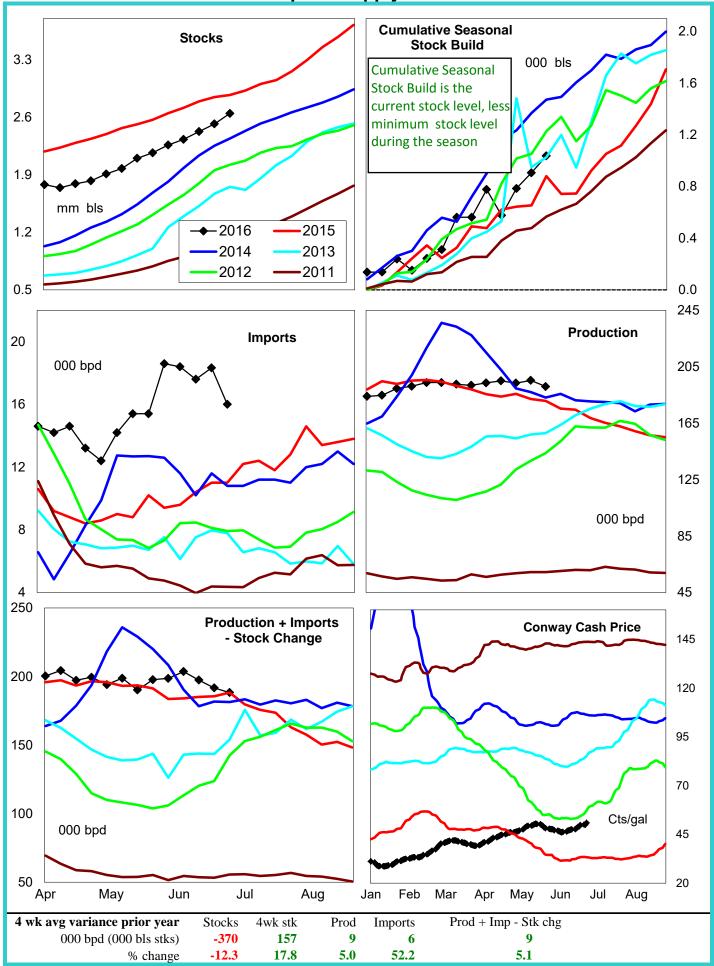
### **PADD 2 Propane Supply and Demand Balance**



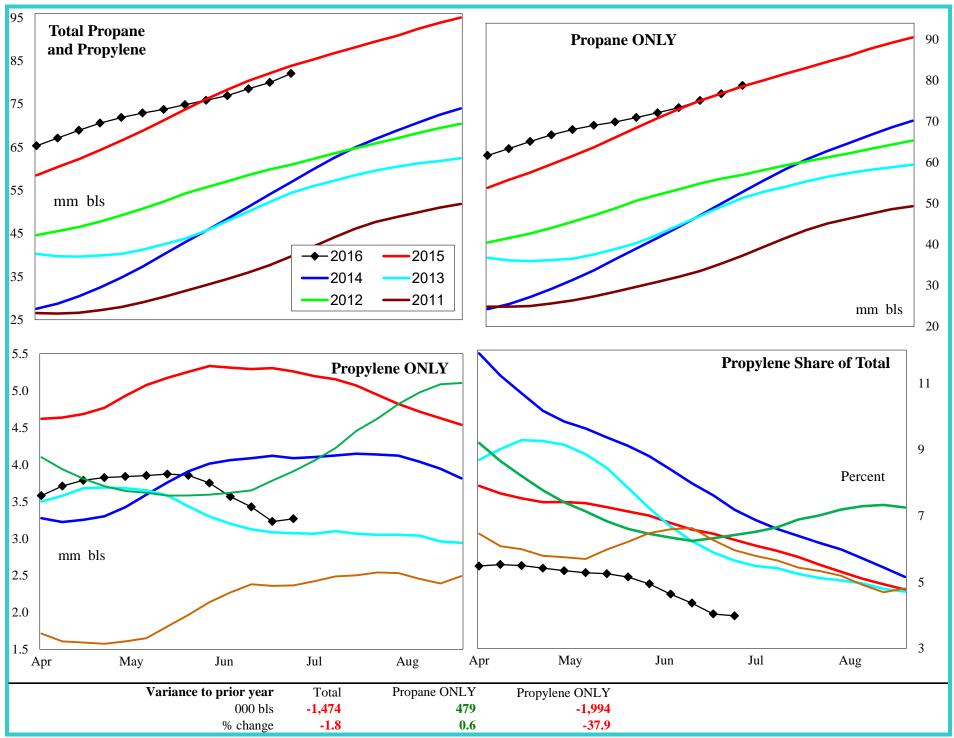
### **PADD 3 Propane Supply and Demand Balance**



### PADDs 4 and 5 Propane Supply and Demand Balance



## **U. S. Propane and Propylene Stocks**



www.fundamentalpetroleumtrends.com 06/30/2016

